

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chair Jeff Essmann, on February 23, 2017 at 10:00 A.M., in Room 152  
Capitol

#### **ROLL CALL**

**Members Present:**

Rep. Jeff Essmann, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. Tom Jacobson, Vice Chair (D)  
Rep. Kim Abbott (D)  
Rep. Becky Beard (R)  
Rep. Zach Brown (D)  
Rep. Mary Ann Dunwell (D)  
Rep. Ron Ehli (R)  
Rep. Dave Fern (D)  
Rep. Wylie Galt (R)  
Rep. Jim Hamilton (D)  
Rep. Adam Hertz (R)  
Rep. Greg Hertz (R)  
Rep. George G. Kipp III (D)  
Rep. Steve Lavin (R)  
Rep. James O'Hara (R)  
Rep. Alan Redfield (R)  
Rep. Bridget Smith (D)  
Rep. Tom Welch (R)  
Rep. Kerry White (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Margot Miltenberger, Committee Secretary  
Megan Moore, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Executive Action on: HB 19; HB 308; HB 420; HB 442; HB 452; HB 401; HB 516; HB 526;  
SB 86

**EXECUTIVE ACTION ON HB 516**

00:01:35 **Motion:** Rep. Flynn moved that **HB 516 DO PASS.**

00:01:45 Megan Moore, Legislative Services Division (LSD)

00:03:49 Chair Essmann relinquished the chair to Vice Chair Flynn

00:04:13 **Motion:** Rep. Essmann moved that **HB 516 BE AMENDED.**  
**EXHIBIT(tah40a01)**

00:05:14 **Vote:** Motion carried 19-1 by voice vote with Rep. White voting no. Rep. Ehli and Rep. Kipp voted by proxy.

00:06:11 **Motion:** Rep. Essmann moved that **HB 516 BE AMENDED.**  
**EXHIBIT(tah40a02)**

**Discussion:**

00:06:49 Rep. Essmann

00:07:58 Rep. Fern

00:08:22 Rep. Essmann

00:10:38 Rep. Jacobson

00:10:46 Rep. Essmann

00:10:58 Rep. A. Hertz

00:11:27 Rep. Jacobson

00:11:47 Rep. A. Hertz

00:12:25 Rep. Z. Brown

00:14:35 Rep. Abbott

00:14:47 Rep. Essmann

00:15:02 Rep. A. Hertz

00:15:43 Rep. Dunwell

00:16:03 **Vote:** Motion carried 15-5 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Hamilton, Rep. B. Smith and Rep. White voting no. Rep. Ehli and Rep. Kipp voted by proxy.

00:17:21 **Motion:** Rep. Essmann moved that **HB 516 BE AMENDED.**  
**EXHIBIT(tah40a03)**

**Discussion:**

00:18:30 Rep. Fern

00:18:41 Rep. Essmann

00:19:13 Rep. Abbott

00:19:45 Rep. Essmann

00:20:25 Rep. Z. Brown

00:20:37 **Vote:** Motion carried 18-2 by roll call vote with Rep. Z. Brown and Rep. White voting no. Rep. Ehli and Rep. Kipp voted by proxy.

00:21:51 **Motion:** Rep. A. Hertz moved that **HB 516 BE AMENDED.**  
**EXHIBIT**(tah40a04)

**Discussion:**

00:22:03 Rep. A. Hertz  
00:23:02 Rep. Jacobson

00:23:12 **Vote:** Motion carried 18-2 by roll call vote with Rep. Redfield and Rep. White voting no. Rep. Ehli and Rep. Kipp voted by proxy.

00:24:31 **Motion:** Rep. A. Hertz moved that **HB 516 BE AMENDED.**  
**EXHIBIT**(tah40a05)

**Discussion:**

00:24:48 Rep. A. Hertz  
00:25:05 Rep. Fern  
00:26:00 Rep. Jacobson  
00:27:06 Rep. A. Hertz

00:27:37 **Substitute Motion:** Rep. Jacobson moved that **HB 516 BE CONCEPTUALLY AMENDED TO CHANGE 250,000 TO 100,000 IN AMENDMENT HB 051605.**

**Discussion:**

00:28:10 Megan Moore, LSD  
00:28:26 Rep. G. Hertz

00:29:35 Without objection, Rep. Jacobson withdrew his substitute motion.

**Discussion:**

00:29:40 Rep. Hamilton  
00:30:15 Rep. Abbott  
00:30:46 Rep. Dunwell  
00:31:21 Rep. A. Hertz

00:31:54 **Vote:** Motion carried 15-5 by roll call vote with Rep. Beard, Rep. Z. Brown, Rep. Hamilton, Rep. B. Smith and Rep. White voting no.

00:33:22 **Motion:** Rep. Jacobson moved that **HB 516 BE CONCEPTUALLY AMENDED TO CHANGE 250,000 TO 100,000 IN AMENDMENT HB 051605.**

**Discussion:**

00:33:59 Rep. Welch  
00:34:22 Rep. Jacobson  
00:35:00 Rep. A. Hertz left the meeting

00:34:46 **Vote:** Motion failed 7-13 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**Discussion:**

00:36:10 Rep. Essmann

00:36:52 **Motion/Vote:** Rep. Flynn moved that **HB 516 DO PASS AS AMENDED**.  
Motion carried 13-7 by roll call vote with Rep. Beard, Rep. Ehli, Rep. Flynn, Rep. Galt, Rep. O'Hara, Rep. Redfield and Rep. White voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

00:38:24 Rep. Essmann resumed the chair

**EXECUTIVE ACTION ON HB 526**

00:38:27 **Motion:** Rep. Jacobson moved that **HB 526 DO PASS**.

00:38:45 **Substitute Motion/Vote:** Rep. Jacobson made a substitute motion that **HB 526 BE TABLED**. Substitute Motion carried unanimously by voice vote. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**EXECUTIVE ACTION ON HB 308**

00:40:34 **Motion:** Rep. Flynn moved that **HB 308 DO PASS**.

00:41:53 **Motion:** Rep. White moved that **HB 308 BE AMENDED**.  
[EXHIBIT\(tah40a06\)](#)

**Discussion:**

00:42:08 Rep. White

00:42:48 Rep. Jacobson

00:43:00 Rep. Z. Brown

00:43:38 Rep. Hamilton

00:44:04 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

00:44:50 **Motion:** Rep. Essmann moved that **HB 308 BE AMENDED**.  
[EXHIBIT\(tah40a07\)](#)

**Discussion:**

00:45:05 Rep. Essmann

00:46:22 Rep. Redfield

00:46:56 Rep. Jacobson

00:47:15 Rep. Essmann

00:48:05 Rep. Abbott

00:48:45 Megan Moore, LSD

00:48:53 **Substitute Motion:** Rep. Abbott moved that **HB 308 BE CONCEPTUALLY AMENDED WITH LINES 1,2 AND 5 OF AMENDMENT HB030804.AMM**.

**Discussion:**

00:49:17 Rep. White

00:49:35 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

00:50:00 **Motion:** Rep. Abbott moved that **HB 308 BE CONCEPTUALLY AMENDED WITH LINES 3 AND 4 OF AMENDMENT HB030804.AMM.**

**Discussion:**

00:50:09 Rep. Fern  
00:50:28 Rep. Essmann  
00:51:10 Rep. Hamilton  
00:51:52 Rep. G. Hertz  
00:52:17 Rep. Hamilton  
00:52:37 Rep. Essmann  
00:53:14 Rep. Abbott  
00:53:24 Rep. White  
00:54:04 Rep. Essmann  
00:54:06 Rep. Fern  
00:54:46 Rep. Dunwell

00:55:06 **Vote:** Motion carried 19-1 by roll call vote with Rep. Hamilton voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

00:56:45 **Motion/Vote:** : Rep. White moved that **TO REQUEST AN AMENDED FISCAL NOTE FOR HB 308.** Motion carried unanimously by voice vote. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**Discussion:**

00:57:33 Rep. White

**EXECUTIVE ACTION ON HB 420**

00:58:14 **Motion:** Rep. Flynn moved that **HB 420 DO PASS.**

**Discussion:**

00:58:21 Megan Moore, LSD

00:58:55 **Substitute Motion/Vote:** Rep. Galt made a substitute motion that **HB 420 BE TABLED.** Substitute Motion carried 13-7 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

00:59:00 Chair Essmann relinquished the chair to Vice Chair Flynn

**EXECUTIVE ACTION ON HB 442**

01:01:14 **Motion:** Rep. Essmann moved that **HB 442 DO PASS.**

01:02:19 **Motion:** Rep. Essmann moved that **HB 442 BE AMENDED.**  
**EXHIBIT**(tah40a08)

**Discussion:**

01:02:31 Rep. Essmann  
01:04:40 Rep. White  
01:05:22 Rep. Abbott  
01:05:47 Rep. Essmann  
01:06:02 Rep. Fern

01:06:35 **Vote:** Motion carried 13-7 by roll call vote with Rep. Beard, Rep. Ehli, Rep. Flynn, Rep. Galt, Rep. O'Hara, Rep. Redfield and Rep. White voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**Discussion:**

01:08:20 Rep. Z. Brown  
01:08:39 Megan Moore, LSD  
01:09:10 Rep. Z. Brown  
01:10:02 Rep. Essmann

01:10:48 **Substitute Motion/Vote:** Rep. White made a substitute motion that **HB 442 BE TABLED**. Substitute Motion carried 11-9 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Essmann, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**EXECUTIVE ACTION ON HB 452**

01:12:31 **Motion:** Rep. Flynn moved that **HB 452 DO PASS**.

**Discussion:**

01:12:40 Megan Moore, LSD  
01:13:06 Rep. Abbott

01:14:11 **Motion:** Rep. Dunwell moved that **HB 452 BE AMENDED**.  
**EXHIBIT**(tah40a09)

**Discussion:**

01:14:30 Rep. Dunwell

01:15:32 **Vote:** Motion failed 9-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp, Rep. Lavin and Rep. B. Smith voting aye. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**Discussion:**

01:16:49 Rep. Dunwell  
01:17:34 Rep. Redfield  
01:18:38 Rep. Flynn  
01:19:43 Rep. Essmann  
01:20:41 Rep. Hamilton  
01:23:31 Rep. G. Hertz  
01:25:33 Rep. Jacobson  
01:28:19 Rep. Beard

01:28:46 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

01:30:03 **Substitute Motion:** Rep. Flynn made a substitute motion that **HB 452 BE TABLED AND THE VOTE REVERSED**. Motion was without objection.

**EXECUTIVE ACTION ON HB 461**

01:30:16 **Motion/Vote:** Rep. Redfield moved that **HB 461 BE TABLED**. Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy.

**EXECUTIVE ACTION ON SB 86**

01:32:02 **Motion:** Rep. Flynn moved that **SB 86 BE CONCURRED IN**.

**Discussion:**

01:32:29 Rep. Welch  
01:32:47 Megan  
01:33:28 Rep. Dunwell

01:34:43 **Vote:** Motion carried 16-4 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell and Rep. Hamilton voting no. Rep. Z. Brown, Rep. Ehli, Rep. A. Hertz and Rep. Kipp voted by proxy. Rep. Smith will carry the bill.

**EXECUTIVE ACTION ON HB 19**

01:37:23 **Motion:** Rep. Jacobson moved that **HB 19 BE REMOVED FROM TABLE**.

**Discussion:**

01:37:44 Megan Moore, LSD  
01:38:12 Rep. White

01:38:41 **Vote:** Motion failed 7-10 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson and Rep. B. Smith voting aye. Rep. Ehli, Rep. A. Hertz and Rep. Kipp were excused.

**Committee Business:**

01:40:29 Chair Essmann  
01:40:43 Rep. G. Hertz  
01:41:28 Megan Moore, LSD  
01:41:38 Chair Essmann  
01:41:42 Rep. White  
01:42:08 Rep. Flynn  
01:42:26 Rep. G. Hertz  
01:42:47 Rep. Flynn  
01:42:59 Rep. Essmann

**ADJOURNMENT**

Adjournment: 01:43:44

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Margot Miltenberger, Secretary

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Additional Documents:

**EXHIBIT**([tah40aad.pdf](#))